



Revenue and Transportation Interim Committee

64th Montana Legislature

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COMMITTEE STAFF

MEGAN MOORE, Lead Staff
JARET COLES, Staff Attorney
FONG HOM, Secretary

TENTATIVE AGENDA

March 10 - 11, 2016

Room 102, State Capitol

Thursday, March 10

Agenda times are approximate. Some items may take more or less time than scheduled.

- 8:00 1. Call to Order -- Roll Call -- Sen. Fred Thomas, Presiding Officer
- 8:05 2. Revenue Estimating and Monitoring
 - a. FY2016 General Fund Revenue Collection Update -- Legislative Fiscal Division staff
 - 8:50 b. Update on revenue estimating process improvements -- Amy Carlson, Legislative Fiscal Analyst
 - c. Overview of joint revenue subcommittee process and options -- Megan Moore, committee staff
 - d. Public comment* on revenue estimating and monitoring topics
 - e. Committee work session on joint revenue subcommittee options
- 9:15 3. Adequacy of Local Government Revenue Generating Capacity Study
 - a. Property taxes as a portion of local government budgets -- Megan Moore
 - 9:30 b. Sales and services tax revenue model -- Aaron McNay, Department of Revenue
 - 10:00 c. Topics for next meeting
 - d. Public comment* on adequacy of local government study
- 10:30 Break
- 10:45 4. Nonprofit Reporting of Community Benefits Study
 - a. Overview of Form 990 -- Megan Moore
 - b. Public comment* on nonprofit reporting of community benefits
 - c. Requests for next meeting
- 11:15 5. Property Taxable Value Neutrality Study
 - a. Overview of productive value for agricultural property and non-qualified agricultural property valuation -- Department of Revenue
 - b. Public comment* on property taxable value neutrality study
 - c. Requests for next meeting

- 12:00 Lunch
- 1:00 6. Agency Oversight: Department of Revenue -- Mike Kadas, Director
- a. Major case update
 - b. Update on appeals
 - c. Tax Season update
 - d. Tax-exempt property reapplication update (House Bill No. 389)
 - e. Public comment* on agency oversight report
- 1:30 7. Legislative Session Procedures for Revenue Bills
- a. Overview of current and historical process -- Megan Moore
 - b. Public comment*
 - c. Committee work session
- 2:00 Break
- 2:15 8. Tax Increment Finance Study
- a. Who pays for TIFs and how is it done? -- Kenneth Nordtvedt, former legislator and former Department of Revenue director
 - 2:30 b. Overview of laws providing for the release of increment -- Megan Moore
 - 2:45 c. Discussion of school district remittance law changes (HB 114)
 - i. Mike Kadas, Director, Department of Revenue
 - ii. Kevin Patrick, Business Manager, Anaconda Public Schools
 - d. Overview of bill to exempt 95 mills from tax increment financing (SB 404) -- Megan Moore
 - 3:30 e. Public comment*: alleged abuses of TIF laws
 - f. Public comment* on tax increment finance study
 - g. Requests for next meeting
- 4:30 9. Agency Oversight: Montana Tax Appeal Board -- Dave McAlpin, Chair (by phone)
- a. Update
 - b. Public comment* on agency oversight report
- 4:50 10. Public Comment* on any other topic within the committee's jurisdiction

Recess until 8 a.m. on March 11, 2016

*Public comment provided in person to the committee is a public record that is videotaped, archived, and available on the Internet. Public comment submitted in writing at a committee meeting is a public record that will be posted to the legislative Web site as part of the minutes log for the committee meeting.

Friday, March 11

Agenda times are approximate. Some items may take more or less time than scheduled.

- 8:00 1. Reconvene -- Roll Call -- Sen. Fred Thomas, Presiding Officer
- 8:05 2. Taxation of International Corporations Doing Business in Montana Study
- a. Discussion of water's-edge election, tax haven list, and foreign direct investment
 - i. Nikki Dobay, Counsel, Council on State Taxation
 - ii. Mike Kadas, Director, Department of Revenue
 - iii. Bob Story, Montana Taxpayers Association
 - b. Responses to requests from last meeting -- Megan Moore
 - c. Public comment* on taxation of international corporations study
 - d. Requests for next meeting
- 9:20
- 10:00 3. Treatment of Intangible Property for Centrally Assessed Property Valuation Study
- a. Court decisions on the treatment of intangible property -- Jaret Coles
 - b. Public comment* on treatment of intangible property
 - c. Requests for next meeting
- 10:30 Break
- 10:40 4. Tax Liens and Tax Deeds Study
- a. Overview of tax lien and tax deed process -- Ronda Wiggers, Montana County Treasurers Association, and Harold Blattie, Montana Association of Counties
 - b. Public comment* on tax liens and tax deeds study
- 11:30 5. Elderly Homeowner and Renter Credit Study
- a. Overview of properties eligible for the credit -- Megan Moore
 - b. Nursing home rates and tax exempt status -- Megan Moore
 - c. Average income of credit recipient -- Department of Revenue
 - d. Public comment* on elderly homeowner and renter credit study
 - e. Requests for next meeting
- 12:00 Lunch
- 1:00 6. Agency Oversight: Department of Transportation
- a. Federal highway funding update -- Mike Tooley, Director and Lynn Zanto, Administrator, Rail, Transit & Planning Division
 - b. 2015 crash data -- Mike Tooley and Lynn Zanto
 - c. Required reports: biodiesel refunds and compliance with special fuel laws -- Larry Flynn, Administrator, Administration Division
 - d. Update from Aeronautics Division and status of unmanned aerial vehicles -- Debbie Alke, Administrator, Aeronautics Division
 - e. Road sealer question -- Jon Swartz, Administrator, Maintenance Division

- f. Public comment* on agency oversight report
- 1:45 7. Highway State Special Revenue Account Study
 - a. Disposition of HSRA funds to MDT, DOJ, local governments, and tribes -- Cathy Duncan, Legislative Fiscal Division
 - b. HSRA target fund balance, how much project money goes to non-construction expenses, additional info on MDT user survey -- Department of Transportation
 - c. Average raised from typical vehicle/driver, electric vehicle fees, toll roads -- Megan Moore
 - d. Dyed diesel modeling and other states' treatment of off-highway/agricultural usage -- Sam Schaefer, Legislative Fiscal Division and Megan Moore
 - f. Public comment* on Highway State Special Revenue Account study
 - g. Topics for next meeting -- Megan Moore
- 3:15 Break
- 3:30 8. Individual Income Tax Credit Analysis
 - a. Stephanie Morrison, Legislative Fiscal Division
 - b. Public comment* individual income tax credit analysis
- 4:15 9. Agency Monitoring: Administrative Rule Review
 - a. Administrative rule review report -- Jaret Coles
 - b. Update on MAR 42-2-938 (resident military salary exclusion) -- Department of Revenue
 - c. Public comment* on administrative rule review
- 4:55 10. Public Comment* on any other topic within the committee's jurisdiction

Instructions to staff -- next meeting: June 9-10, 2016

Adjourn

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